

# **TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE**

**Version 2**

**EFFECTIVE DATE: 1 APRIL 2020**

1	<b>OBJECTIVES</b>	The principal objectives of the Risk Management Committee (" <b>the Committee</b> ") are to assist the Board of Directors in the effective discharge of its primary responsibilities of identifying principal risks and implementing appropriate systems and risk assessment processes to manage such risks.
2	<b>COMPOSITION</b>	The Committee shall be appointed from amongst the Board and shall comprise no fewer than four (4) members, a majority of whom shall be Independent Directors.
3	<b>RIGHTS</b>	The Committee in performing its duties shall have authority to investigate any matter within its terms of reference and given adequate resources to perform its duties.
4	<b>CHAIRMAN</b>	The members of the Committee shall elect a Chairman from amongst their number.  In the absence of the Chairman of the Committee, the other members of the Risk Management Committee shall amongst themselves elect a Chairman to chair the meeting.
5	<b>RETIREMENT AND RESIGNATION</b>	If any member of the Committee retires, is re-designated, resigns or for any reason ceases to be a member or the Chairman resulting in non-compliance with paragraphs 2 and 4 above, the Board and the members of the Committee shall within three (3) months of the event appoint/elect such new member(s) or Chairman as may be required to fill the vacancy.
6	<b>SECRETARIES</b>	The Company Secretary(ies) shall be the secretary(ies) of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting.
7	<b>MEETINGS</b>	The Committee shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.  Notice of Committee meetings shall be given to all the Committee members unless the Committee waives such requirement.  The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.  Other Board members and employees may attend meetings upon the invitation of the Committee.  Questions arising at any meeting of the Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Committee shall not have a second or casting vote.
8	<b>MINUTES</b>	Minutes of each meeting shall be kept at the registered office and distributed to each member of the Committee and also to the other members of the Board. The Chairman shall report on the proceeding of each meeting to the Board.

		<p>The minutes of the Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.</p> <p>The Committee members may inspect the minutes of the Committee at the Company's registered office or such other place as may be determined by the Committee.</p>
<b>9</b>	<b>QUORUM</b>	The quorum for the Committee meeting shall be three (3) members.
<b>10</b>	<b>CIRCULAR RESOLUTION</b>	A resolution in writing signed by a majority of the Committee members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Committee members. Any such document may be accepted as sufficiently signed by an Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Committee member.
<b>11</b>	<b>REPORTING</b>	<p>The Committee shall report to the Board, either formally in writing, or verbally, as it considers appropriate on the matters within its terms of reference at least twice a year, but more frequently if it so wishes.</p> <p>The Committee shall report to the Board on any specific matters referred to it by the Board for investigation and report.</p>
<b>12</b>	<b>AUTHORITY</b>	<p>The Committee shall, in accordance with a procedure to be determined by the Board and at the expense of the Company,</p> <p>(a) have explicit authority to investigate any activity within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the Committee;</p> <p>(b) have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal auditors and senior management of the Company and Group;</p> <p>(c) obtain, at the expense of the Company, other independent professional advice or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary; and</p> <p>(d) have direct communication channels with the internal auditors and person(s) carrying out the internal audit function or activity (if any).</p>
<b>13</b>	<b>DUTIES AND RESPONSIBILITIES</b>	<p>The duties and responsibilities of the Committee are as follows:-</p> <ul style="list-style-type: none"> <li>- Review and monitor Group's risk management framework and activities.</li> <li>- Determine that there is a robust process in place for identifying, managing and monitoring critical risks, oversee execution of that process; and ensure it is continuously improved as the business environment changes.</li> </ul>

		<ul style="list-style-type: none"> <li>- Engage Management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise.</li> <li>- Oversee the conduct and review of the results of company wide risk assessments including the identification and reporting of critical risks.</li> <li>- Oversee the management of certain risks, with regard to the complexity and significance of these risk exposures.</li> <li>- Provide advise to the Board on risk strategies.</li> <li>- Promote a healthy risk culture company wide.</li> <li>- Report to the Board of Directors regarding the Group's risk exposures, including risk assessment model used to monitor the risk exposures and Management's views on the acceptable and appropriate level of risks faced by the Group in each business operating unit.</li> <li>- To oversee the conduct of corruption risk assessment annually with the impact criteria and control measures being conscientiously considered;</li> <li>- Review and discuss with Management the following:- <ul style="list-style-type: none"> <li>- the key guidelines and policies governing the Group's significant processes for risk assessment and risk management;</li> <li>- the validity of the identified risks and ensuring that appropriate actions are taken to mitigate the risks;</li> <li>- the adequacy of infrastructure, resources and system for risk management, the staff responsible for implementing risk management system perform those duties efficiently and effectively;</li> <li>- the periodical risk rating report and risk management activities; and</li> <li>- Review the status of the implementation of management action plans in mitigating significant risks identified.</li> </ul> </li> <li>- To consider and examine such other matters as the Committee considers appropriate; and</li> <li>- To consider other matters as defined by the Board.</li> </ul>
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